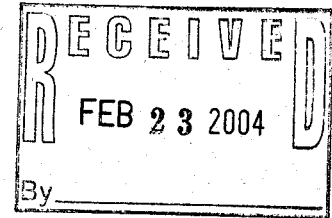


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Arthur H. & Lorraine M. Spaid
P.O. Box 815
Pine, AZ 85544
928/476-2814

2004 MAR 17 A 11:48

February 19, 2004 AZ CORP COMMISSION
DOCUMENT CONTROL

Jeff Hatch Miller, Commissioner
1200 W. Washington
Phoenix, AZ 85007

W-03512A-03-0279

Dear Mr. Miller,

You may be aware by now that there is a sizable "grass roots" opposition effort to combat the petition issued by the realtor/developer group. We wrote a letter last month to Ms. Madrid in Consumer Affairs (copy enclosed) affirming our support of Brooke Utilities, and are confirming this support to you and the other commissioners.

Unfortunately, our County Supervisors, acting as PSWID, seem to be in favor of this petition, but they are not representing Pine and Strawberry in this action, nor have they been since revoking the authority of the real Board. They finally released a financial statement through 12/31/03 showing a balance of \$83,086 – unconscionable considering the beginning amount, and that the bulk of the approved budget was for water development. Attorney Gliege has received \$28,589, mostly, I presume, to be an intervenor, which should not even be necessary if they were truly representing the community.

As to March 3rd, (and we plan on attending), we hope that Mr. Hardcastle will receive the authority to increase rates – our water bills have been very reasonable. We're full time residents, since January, '97, so have only heard the stories about the previous water company, but we do feel Pine Water Company has been doing a great job in spite of all its difficulties. We do emphasize again, as in the enclosed letter, that we want to continue under the governance of ACC.

Thank you for your attention.

Arthur Spaid
Arthur Spaid

Lorraine Spaid
Lorraine Spaid

Arizona Corporation Commission

DOCKETED

MAR 17 2004

DOCKETED BY	<i>ML</i>
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Arthur and Lorraine Spaid
P. O. Box 815
Pine, AZ 85544

January 30, 2004

Commissioners
Arizona Corporation Commission
C/o Carmen Madrid
Consumers Affairs, Utility Division
1200 W. Washington St.
Phoenix, AZ 85007-2927

RE:Pine/Strawberry Water Improvement District

Dear Ms. Madrid:

It has come to our attention that the attorney, Mr. Gliegli, appointed by Mr. John Nelson to represent PSWID on legal matters, has written to you requesting that the March 3rd hearing be expanded to include cancelling the CC & N authorization of Brooke Utilities. This is most upsetting!

He states that he represents the constituents of Pine/Strawberry. He does not. There have been no open meetings whereby he could gather information; the website has not worked for months; in fact, there has not been a PSWID meeting since July, 2003.

Further, I presume he is being paid by PSWID, and the budget passed last July, designed primarily for water exploration, certainly did not include attorney's fees. Can the county supervisors, acting as PSWID, disregard a budget passed by the real board?

Lastly, we wrote you Sept. 9, 2002 stating our support for Brooke Utilities (Docket file W-03512A-01-0764). This has not changed! People are upset with the duration of Stage 5, but we live in a desert – and it has been a very long drought period. What do they expect? We hope that Mr. Hardcastle is not deterred by the absurd petition, put forth by a developer and realtor, to purchase his company. This would be a disaster, especially since we would lose your oversight.

Sincerely,

Arthur H. Spaid

Lorraine M. Spaid